

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

No. 6:20-cv-84-RBD-GJK

BEN PHILIPPE; CLEBERT
PHILIPPE; MICHELLE
JENKINS; and RELIANCE 1
TAX SERVICES LLC,

Defendants.

ORDER

In the Complaint, the Government alleged that Defendants engaged in a scheme to prepare false tax returns. (Doc. 1.) Defendant Michelle Jenkins answered and later stipulated with the Government for the entry of an injunction against her. (Docs. 22, 33, 38.)

The remaining Defendants – Ben Philippe, Clebert Philippe, and Reliance 1 Tax Services, LLC (the “Defaulting Defendants”) – failed to answer the Complaint, and the Government obtained entries of default against them from the Clerk. (Docs. 18–20.) The Government then moved for default judgment against the Defaulting Defendants, seeking disgorgement and an injunction. (Doc. 35 (“Motion”).) On referral, U.S. Magistrate Judge Gregory J. Kelly entered a Report

and Recommendation (“R&R”) recommending that the Court grant in part the Motion – permitting both the disgorgement and the injunction, and omitting only two provisions in the proposed injunction that constitute overly broad “obey the law” language. (Doc. 40.)

The parties did not object to the R&R and the deadline has passed, so the Court examines the R&R for clear error only. *See Macort v. Prem, Inc.*, 208 F. App’x 781, 784 (11th Cir. 2006). Finding none, the R&R is due to be adopted in its entirety. Due to the lengthy findings of fact and conclusions of law in the proposed injunction, judgment will follow by separate order.

Accordingly, it is **ORDERED AND ADJUDGED**:

1. The R&R (Doc. 40) is **ADOPTED, CONFIRMED**, and made a part of this Order in its entirety.
2. The Motion (Doc. 35) is **GRANTED IN PART AND DENIED IN PART** as follows:
 - a. Judgment is due to be entered in favor of Plaintiff and against Defendant Ben Philippe in the amount of \$96,945.10.
 - b. Judgment is due to be entered in favor of Plaintiff and against Defendants Clebert Philippe and Reliance 1 Tax Services LLC, jointly and severally, in the amount of \$134,633.00.
 - c. A permanent injunction is due to be entered against the

Defaulting Defendants in the form proposed by the Government (Doc. 35-8), as **MODIFIED**:

- i. The request that Defendants be enjoined from “engaging in any other activity subject to penalty under 26 U.S.C. §§ 6694, 6695, 6701, or any other penalty provision in the Internal Revenue Code (26 U.S.C.),” (*id.* at 8, ¶ 6), is **REJECTED** as unenforceable.
- ii. The request that Defendants be enjoined from “engaging in any conduct that substantially interferes with the proper administration and enforcement of the internal revenue laws,” (*id.* ¶ 7), is **REJECTED** as unenforceable.
- d. In all other respects, the Motion is **DENIED**.

3. Judgment will follow by separate order.

DONE AND ORDERED in Chambers in Orlando, Florida, on April 9, 2021.




ROY B. DALTON JR.
United States District Judge